ICAD INC
Form 4
September 14, 2006

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB Number:	3235-0287
Expires:	January 31, 2005
Estimated average burden hours per response...	0.5

(Print or Type Responses)

1. Name and Address of Reporting Person * SUSSMAN ELLIOT J MD MBA	2. Issuer Name **and** Ticker or Trading Symbol ICAD INC [icad]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)
(Last) (First) (Middle)	3. Date of Earliest Transaction (Month/Day/Year) 09/12/2006	__X__ Director _____ 10% Owner _____ Officer (give title _____ Other (specify below) below)
C/O ICAD, INC., 4 TOWNSEND WEST, SUITE 17		
(Street)	4. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person ___ Form filed by More than One Reporting Person
NASHUA, NH 03063		
(City) (State) (Zip)		

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474
(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount Underlying Securiti (Instr. 3 and 4)

1

(Instr. 3)	Price of Derivative Security		(Month/Day/Year)	(Instr. 8)						Title	Amou or Numl of Sh
				Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)							
				Code	V	(A)	(D)	Date Exercisable	Expiration Date		
7.25% Convertible Note	$ 1.7	09/12/2006		A		100,000		09/12/2006	09/12/2008	Common Stock	58,8 (1

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SUSSMAN ELLIOT J MD MBA C/O ICAD, INC. 4 TOWNSEND WEST, SUITE 17 NASHUA, NH 03063	X			

Signatures

/s/ Annette Heroux, Attorney-in-Fact	09/14/2006
**Signature of Reporting Person	Date

Explanation of Responses:

*   If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

**   Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1)   The number of shares reflected as issuable upon conversion of the note represents shares that may be acquired assuming the entire current principal amount of the note is converted and does not reflect any shares that may be acquired by the holder of the note upon conversion of the note in lieu of the payment of any accured and unpaid interest on the note.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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